

## Message Text

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ORIGIN XMB-04

INFO OCT-01 ARA-06 ISO-00 EB-07 EUR-12 EA-07 COME-00  
AID-05 OMB-01 TRSE-00 /043 R

EXIM BANK

DRAFTED BY XMB: D W SHEPARD:MD  
APPROVED BY EB/IFD/ODF:FHTHOMAS  
XMB: R D CRAFTON  
ARA/ECA:FRONDON  
-----242228Z 028976 /72  
P 242123Z MAY 77  
FM SECSTATE WASHDC  
TO AMEMBASSY BUENOS AIRES PRIORITY

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FOR P E JONES, COMM OFF

E.O. 11652: N/A

TAGS: EFIN, AR

SUBJECT:SOMISA/STEEL MILL EQUIPMENT

1. EXIMBANK HAS BEEN REQUESTED BY LOFTUS ENGINEERING CORPORATION, PITTSBURGH, TO CONSIDER ASSISTANCE IN FINANCING STEEL MILL EQUIPMENT OF 16 SOAKING PITS AND A CONTINUOUS SLAB REHEATING FURNACE FOR EXPANSION PROGRAM. THE U.S. EQUIPMENT WOULD BE USED TO COMPLETE A PROJECT  
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AT SAN NICOLA BEGUN TWO OR THREE YEARS AGO WITH BLOOMING AND PLATE MILLS PURCHASED FROM IHI AND MITSUBISHI OF JAPAN. WE UNDERSTAND THE MILLS ARE NOT INSTALLED DUE TO LACK OF LOCAL CURRENCY TO COMPLETE THE PROJECT.

2. ESTIMATED COSTS OF U.S. EQUIPMENT WOULD BE 9-10 MILLION DOLS. THE GERMANS, BRITISH, FRENCH, ITALIANS AND JAPANESE ARE REPORTED TO BE OFFERING COMPETITIVE FINANCING FOR THE EQUIPMENT NEEDED TO COMPLETE THE PROJECT. LOFTUS

WOULD WORK WITH FERROSTAAL OF GERMANY ON JOINT SUPPLY  
OF EQUIPMENT AND ENGINEERING SERVICES.

3. EXIMBANK WOULD APPRECIATE ANY COMMENTS EMBASSY MAY  
WISH TO MAKE ON THIS PROJECT INCLUDING ITS RELATIVE

IMPORTANCE, PROGRESS OF INSTALLATION AND ERECTION TO DATE,  
HOW THE SUBJECT TRANSACTION FITS IN WITH SOMISA'S OVER-  
ALL EXPANSION PLANS, WHAT ITEMS STILL REMAIN TO BE PUR-  
CHASED TO COMPLETE THIS EXPANSION, WHAT SOURCE WILL BE  
AVAILABLE FOR LOCAL COST FINANCING AS WELL AS PLANNED  
BREAKDOWN ON LOCAL AND FOREIGN COST FINANCING.

4. PLEASE SEND RESPONSE ATTENTION D W SHEPARD. VANCE

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** EQUIPMENT, LOANS, STEEL PLANTS, ROLLING MILLS, PROPOSALS (BID), INFORMATION CONTROL  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 24-May-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE119741  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** D W SHEPARD:MD  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770185-0630  
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**Litigation Code IDs:**  
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**Litigation History:**  
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**Message ID:** 7548d18a-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN XMB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05-Apr-2005 12:00:00 am  
**Review Event:**  
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**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2386875  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** SOMISA/STEEL MILL EQUIPMENT  
**TAGS:** EFIN, AR, US, XMB, LOFTUS ENGINEERING CORPORATION  
**To:** BUENOS AIRES  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009